



September 24, 2012

Honorable Shoshana Grove
Secretary
Postal Regulatory Commission
901 New York Avenue, NW, Suite 200
Washington, DC 20268-0001

Dear Ms. Grove:

Pursuant to 39 U.S.C. § 407(d)(2), the U.S. Postal Service (Postal Service) is providing copies of operational agreements for the addition of Groupe La Poste and Singapore Post to the Kahala Posts Group. Due to an oversight, the Postal Service did not file these instruments on or before their effective dates. The Postal Service has marked the non-public versions of the documents as "Confidential" and "Non-Public" because the documents contain information considered confidential and commercially sensitive by the affected postal operators and the Postal Service.

The Postal Service considers certain portions of the documents to be protected by 39 U.S.C. § 410(c)(2) and thereby not subject to mandatory disclosure under the Freedom of Information Act (FOIA). Further, the documents contain the commercial information of several postal operators, and as such, certain portions of the instruments are subject to protection under Exemption 4 of the FOIA. Consequently, we have attached an application for non-public treatment of these documents under 39 C.F.R. § 3007.21. In addition, we respectfully request that the Postal Regulatory Commission coordinate with us in the event that the documents become subject to a FOIA request, so that we can engage in appropriate consultations with the affected postal operators.

Please feel free to contact me if further information would be helpful.

Sincerely,

A handwritten signature in blue ink that reads "Jane M. McCreary".

for Anthony F. Alverno
Chief Counsel, Global Business &
Service Development

Enclosure

APPLICATION OF THE UNITED STATES POSTAL SERVICE FOR NON-PUBLIC TREATMENT OF MATERIALS

In accordance with 39 C.F.R. § 3007.21, the United States Postal Service (Postal Service) applies for non-public treatment of the enclosed operational agreements for improvement of international postal services, particularly express and package services, among members of the Kahala Posts Group (KPG), which include the Australian Postal Corporation, the China Post Group, Correos Y Telégrafos SAE, Hongkong Post, Japan Post Service Co., Ltd, Korea Post, Groupe La Poste, Royal Mail Group Ltd., Singapore Post Limited and United States Postal Service. The agreements included with this filing are listed below.

- Agreement for the Addition of La Poste to the Kahala Posts Group (KPG)
- Agreement for the Addition of Singapore Post as a Full Member of the Kahala Posts Group (KPG)

The Postal Service is transmitting these agreements to the Postal Regulatory Commission (Commission) in accordance with 39 U.S.C. § 407(d). A redacted version of each agreement is enclosed with the instant transmittal. The Postal Service hereby furnishes the justification required for this application by 39 C.F.R. § 3007.21(c) below.

(1) The rationale for claiming that the materials are non-public, including the specific statutory basis for the claim, and a statement justifying application of the provision(s);

Information of a commercial nature, which under good business practice would not be publicly disclosed, as well as third party business information, is not

required to be disclosed to the public. 39 U.S.C. § 410(c)(2); 5 U.S.C. § 552(b)(4). The Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. § 504(g)(3)(A).¹ Because the portions of materials filed non-publicly fall within the scope of information not required to be publicly disclosed, the Postal Service asks the Commission to support its determination that these materials are exempt from public disclosure and grant its application for their non-public treatment.

(2) Identification, including name, phone number, and e-mail address for any third party who is known to have a proprietary interest in the materials, or if such an identification is sensitive, contact information for a Postal Service employee who shall provide notice to that third party;

In the case of agreements such as the ones transmitted here, the Postal Service believes that the postal operators that are parties to the agreements are third parties with a proprietary interest in the materials. The Postal Service identifies as an appropriate contact person Vincent Mougey, General Manager, KPG, Jubilee Center 9/F #905, 18 Fenwick Street, Wan Chai, Hong Kong, Hong Kong. Mr. Mougey's phone number is +852 2528 6716, and his e-mail address is vincent.j.mougey@usps.gov. The Postal Service has already informed the KPG Management Office, in compliance with 39 C.F.R. § 3007.20(b), about the

¹ The Commission has indicated that "likely commercial injury" should be construed broadly to encompass other types of injury, such as harms to privacy, deliberative process, or law enforcement interests. PRC Order No. 194, Second Notice of Proposed Rulemaking to Establish a Procedure for According Appropriate Confidentiality, Docket No. RM2008-1, Mar. 20, 2009, at 11.

nature and scope of this filing and about the ability to address any confidentiality concerns directly with the Commission.

(3) A description of the materials claimed to be non-public in a manner that, without revealing the materials at issue, would allow a person to thoroughly evaluate the basis for the claim that they are non-public;

As required by 39 U.S.C. § 407(d), the Postal Service is transmitting agreements with foreign postal operators, certain of which are agencies of foreign governments.

The agreements include highly sensitive business information, such as service and scanning targets and performance metrics, information exchange, volumes, payments, governance rules, and negotiated commitments. The agreements also include other operational information concerning KPG, including information technology support, maintenance and enhancement. The Postal Service maintains that the redacted portions of the document should remain confidential.

(4) Particular identification of the nature and extent of commercial harm alleged and the likelihood of such harm;

If the information that the Postal Service determined to be protected from disclosure due to its commercially sensitive nature were to be disclosed publicly, the Postal Service considers that it is quite likely that it would suffer commercial harm. This information is commercially sensitive, and the Postal Service does not believe that it would be disclosed under good business practices.

Competitors, which might include foreign postal operators as well as integrators, could use the protected information to assess any possible comparative vulnerabilities and to focus sales and marketing efforts on those areas, to the

detriment of the Postal Service and the foreign postal operators that signed the agreements. Additionally, foreign postal operators or other potential customers could use the information to their advantage in negotiating the terms of their own agreements with the Postal Service and other KPG members. The Postal Service considers these to be highly probable outcomes that would result from public disclosure of the redacted material.

The agreements include specific information concerning targets, volumes, levels of achievement, and financing. All of this information is highly confidential in the business world. If this information were made public, the Postal Service's competitors, and the competitors of the other postal operators that signed the agreements, would have the advantage of being able to assess the Kahala Post Group's required targets and levels of achievement. Competitors would be able to take advantage of the information when setting their own targets and levels of achievement. Additionally, foreign postal operators or other potential customers could use such information to their advantage in negotiating the terms of their own agreements with the Postal Service. Eventually, this could freeze the Postal Service out of the expedited and parcels product markets.

Information in the Agreements also consists of sensitive commercial information of foreign postal operators that are members of KPG. Disclosure of such information could be used by competitors of those postal operators to develop a benchmark for the development of a competitive alternative.

Finally, information about membership terms to join the organization, the organization's governance rules, and its activities is withheld on grounds that

disclosure could provide insight by competing postal operators and integrators on the terms and costs of maintaining a similar type of association. Disclosure of such information would enable competitors to gain valuable intelligence to mimic a similar type of arrangement at much less cost.

(5) At least one specific hypothetical, illustrative example of each alleged harm;

Harm: Public disclosure of performance metrics in the enclosed agreements would provide foreign postal operators that did not sign the transmitted agreements with extraordinary negotiating power in negotiations with the Postal Service and other counterparties to the agreements.

Hypothetical: The agreements are disclosed publicly on the Commission's website. A postal operator that did not sign the agreements sees the information and uses the publicly available information concerning targets and levels of achievement as leverage in negotiations over expedited and parcel service agreements, to the detriment of the postal operators that are signatories to the agreements in negotiations.

Harm: Public disclosure of information in the agreements, including information concerning KPG's strategic initiatives, would be used by the Postal Service's competitors, as well as competitors of the foreign postal operators that signed the agreements.

Hypothetical: A competing international delivery service obtains a copy of the unredacted versions of the agreements from the Postal Regulatory Commission's website. The competitor analyzes the agreements to assess the participating postal operators' performance targets and levels of achievement, as well as KPG's strategic initiatives. The competitor uses that information as a baseline to develop competitive alternatives.

Harm: Competitors would use performance thresholds to assess vulnerabilities and focus sales and marketing efforts to the detriment of the postal operators that signed the agreements.

Hypothetical: The information about targets and levels of achievement thresholds in the agreements is released to the public. Another delivery service's employee monitors the filing of this information and passes the information along to its sales and marketing functions. The competitor then uses this information as a concrete comparison point, advertising itself to potential customers as offering performance better than the postal operators that signed the agreements.

Harm: Competitors could use the information in the agreements to create competing associations that mimic the structure, funding, and activities of the association at much less expense.

Hypothetical: Information about the financing of the organization and its activities is released on the Commission's website. Through disclosure of the costs of joining the organization, its activities, and its governance rules, competing postal operators or integrators can assess whether the expenses needed to create a competing organization or association would lead to a sufficient return on investment. If so, a competing postal operator or integrator would use the information in the agreements as a template to create a model for a competing association and lure postal operators to the competing organization. Further, competitors could gain valuable intelligence to assess the nature of the organization, its governance, and the costs borne by the KPG operators.

Harm: Disclosure of volume information would lead competitors to target lucrative markets.

Hypothetical: Information about volume figures contained in the agreements is disclosed on the Commission website. Alternative providers use the information to assess market size and thereby target those markets that contain the greatest volume.

(6) The extent of protection from public disclosure deemed to be necessary;

The Postal Service maintains that the redacted portions of the materials filed non-publicly should be withheld from persons involved in competitive decision-making in the relevant markets for international expedited and parcels products (including postal operators and private sector integrators), as well as their consultants and attorneys. Additionally, the Postal Service believes that, except for foreign postal operators that already have access to this information, all other persons, including, but not limited to actual or potential customers of the Postal Service for parcels and expedited services or similar products, should not be provided access to the non-public materials, particularly since this does not involve a rate or classification filing.

(7) The length of time deemed necessary for the non-public materials to be protected from public disclosure with justification thereof; and

The Commission's regulations provide, at this time, that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless the Commission or its authorized representative enters an order extending the duration of that status. 39 C.F.R. § 3007.30.

(8) Any other factors or reasons relevant to support the application.

None.

Conclusion

For the reasons discussed, the Postal Service asks that the Commission grant its application for non-public treatment of the identified materials.

**AGREEMENT FOR THE ADDITION OF LA POSTE
TO THE KAHALA POSTS GROUP (KPG)**

WHEREAS, Australia Post, China Post, Correos Y Telegrafos, Hongkong Post, Japan Post, Korea Post, the Royal Mail Group and the United States Postal Service ("KPG Members") have joined together as the Kahala Posts Group ("KPG") to improve postal express, package, and logistic services in the Asia-Pacific, and other regions, and

WHEREAS, Le Groupe La Poste ("La Poste"), the operator of postal express and package services in France, would like to join with KPG Members in improving postal express, package, and logistic services,

The KPG Members and La Poste hereby agree as follows:

1. Definitions

A. "KPG Members" means Australia Post, China Post, Correos Y Telegrafos, Hongkong Post, Japan Post, Korea Post, the Royal Mail Group and the United States Postal Service;

B. "BOD" Means the KPG Board of Directors;

2. La Poste shall pay to the KPG Members [REDACTED]
Upon payment of this sum, La Poste shall be [REDACTED]
[REDACTED]
[REDACTED] The BOD may, whenever confidential
matters are before it, [REDACTED]
[REDACTED]

3. Upon payment of the sum mentioned in clause 2 above, and pending the execution of documents referred to in clauses 4 and 6 of this agreement, the KPG Members grant La Poste – [REDACTED]
[REDACTED]
[REDACTED] La
Poste also receives [REDACTED]
[REDACTED] These [REDACTED] shall cease if the
relationship between La Poste and KPG is terminated.

4. When La Poste signs the [REDACTED], [REDACTED]
[REDACTED] KPG
Members agree to execute with La Poste [REDACTED]
[REDACTED] The current versions of the KPG
[REDACTED], the current KPG [REDACTED] and the

current [REDACTED] can be supplied to La Poste as requested.

5. La Poste shall:

- A. Market launch EMS [REDACTED] under the conditions specified in Annex 1 of this Agreement [REDACTED]

- B. Market launch the air parcels service [REDACTED] under the conditions specified in Annex 2 of this Agreement.

6. At such time as La Poste and the KPG Members execute the [REDACTED] and, if completed by the KPG Members at that time, [REDACTED]

7. In the event that La Poste does not execute the 2008 [REDACTED] and the [REDACTED] as provided in clause 4 [REDACTED] mentioned in clause 1, [REDACTED]

At such time [REDACTED] any and all rights and privileges granted by this agreement between KPG Members and La Poste with respect to the KPG project shall terminate, excluding [REDACTED]

8. This Agreement may be entered into by counterparts, all of which taken together shall constitute one and the same instrument. Any party may enter into this Agreement by executing any such counterpart.

9. This Agreement shall take effect from 25 July 2007, on the date that it is signed by all of the parties and shall remain in effect for one (1) year.

**ANNEX 1 TO AGREEMENT FOR THE ADDITION OF LA POSTE TO THE
KAHALA POSTS GROUP: AND THRESHOLDS FOR THE MARKET LAUNCH
OF EMS SERVICE**

GENERAL:

1. KPG requires new members and associates to disclose [REDACTED]

[REDACTED]
While KPG [REDACTED]
[REDACTED]

2. KPG will only provide [REDACTED]

2.1 [REDACTED]

3. KPG requires that the [REDACTED]
[REDACTED]

EMS:

4. KPG requires that [REDACTED]
[REDACTED]

5. KPG has an implementation timeline for an operational requirement to have [REDACTED]

6. KPG will provide [REDACTED]
[REDACTED]

7. KPG requires that all members and associates [REDACTED]
[REDACTED]

8. KPG requires that each new member and associate [REDACTED]
[REDACTED]

9. KPG requires that new members and associates [REDACTED]
[REDACTED]

10. KPG requires the capability to access [REDACTED]
[REDACTED]

11. To market launch EMS guaranteed service KPG requires:

11.1 Demonstrated ability to attain and maintain [REDACTED]
[REDACTED]

11.2 Demonstrated ability to attain and maintain [REDACTED]
[REDACTED]

11.3. Attaining a minimum of [REDACTED]

11.4 Attaining a minimum of [REDACTED]

11.5 Transmitting [REDACTED]

11.6 Capturing and transmitting [REDACTED]
[REDACTED]

11.7 Attaining a [REDACTED]

11.8 Demonstrating that the [REDACTED]
[REDACTED]

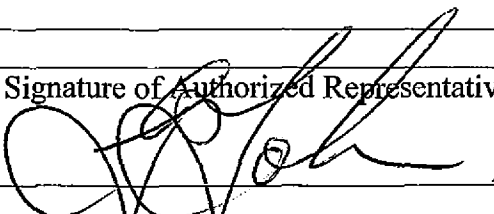
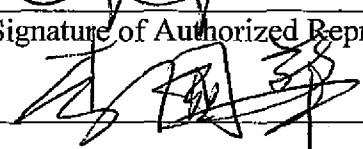
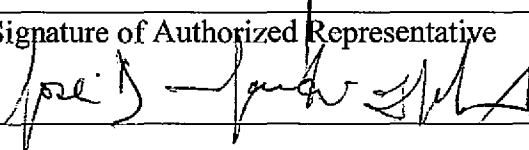
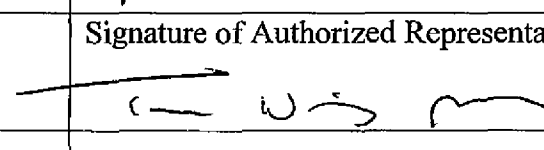
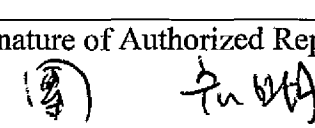
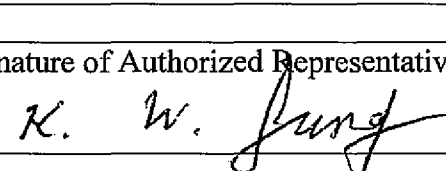
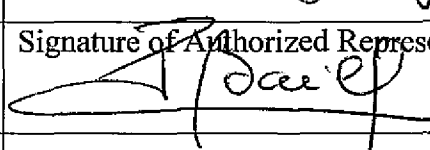
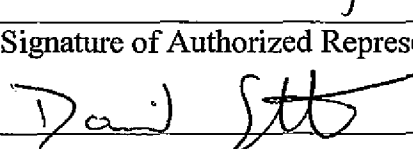
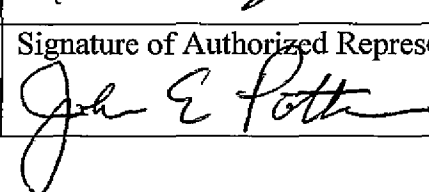
11.9 Demonstrating that [REDACTED]
[REDACTED]

11.10 Attaining and maintaining [REDACTED]
[REDACTED]

**ANNEX 2 TO AGREEMENT FOR THE ADDITION OF LA POSTE TO THE
KAHALA POSTS GROUP: AND THRESHOLDS FOR THE MARKET LAUNCH
OF AIR PARCELS SERVICE**

AIR PARCELS

- 1 KPG requires that [REDACTED]
[REDACTED]
- 2 To market launch Air Parcels, KPG requires:
 - 2.1 Attaining and maintaining [REDACTED]
[REDACTED]
 - 2.2 Capturing and transmitting [REDACTED]
[REDACTED]
 - 2.3 Capturing [REDACTED] for a minimum
[REDACTED]
 - 2.4 Transmitting a [REDACTED]
[REDACTED]

Australia Post	Signature of Authorized Representative 
China Post	Signature of Authorized Representative 
Correos Y Telegrafos	Signature of Authorized Representative 
Hongkong Post	Signature of Authorized Representative 
Japan Post	Signature of Authorized Representative 
Korea Post	Signature of Authorized Representative 
La Poste	Signature of Authorized Representative 
Royal Mail Group	Signature of Authorized Representative 
United States Postal Service	Signature of Authorized Representative 

**AGREEMENT FOR THE ADDITION OF SINGAPORE POST
AS A FULL MEMBER OF THE KAHALA POSTS GROUP (KPG)**

WHEREAS, Australian Postal Corporation, China Post Group, Correos Y Telegrafos SAE, Groupe La Poste, Hongkong Post, Japan Post Service Co. Ltd., Korea Post, the Royal Mail Group, Ltd. and the United States Postal Service (“KPG Members”) have joined together as the Kahala Posts Group (“KPG”) to improve postal express, package, and logistic services in the Asia-Pacific, and other regions, and

WHEREAS, Singapore Post, the operator of postal express and package services in Singapore

- [REDACTED]
- [REDACTED]
- would like on the basis of this Agreement, and the stated Annexures and Appendices, and on the Effective Date, to join with KPG Members in improving postal express, package, and logistic services.

The KPG Members and Singapore Post hereby agree as follows:

1. Definitions

- A. “KPG Members” means the Australian Postal Corporation, the China Post Group, Correos Y Telegrafos SAE, the Groupe La Poste, Hongkong Post, Japan Post Service Co. Ltd., Korea Post, the Royal Mail Group, Ltd. and the United States Postal Service;
- B. “BOD” Means the KPG Board of Directors;
- C. “Effective Date” means the date upon which Singapore Post’s joining of KPG as a full member becomes effective, namely the date upon which the governance documents referred to in clause 4 of this Agreement are signed by Singapore Post.

2. Singapore Post shall (in the manner and at the time agreed with the KPG Members) pay to the KPG Members [REDACTED]. Between the date of payment of the joining fee, and the Effective Date, Singapore Post shall be [REDACTED]

[REDACTED] . The BOD may, whenever confidential matters are before it, [REDACTED].

3. Between the date of payment of the joining fee, and the Effective Date,, the KPG Members grant Singapore Post – [REDACTED]

[REDACTED] Singapore Post also receives [REDACTED]

[REDACTED] . These [REDACTED] shall cease if the relationship between Singapore Post and KPG is terminated.

4. When Singapore Post signs the [REDACTED], [REDACTED] KPG Members agree to execute with Singapore Post a [REDACTED] The current versions of the [REDACTED], the current KPG [REDACTED] and the current [REDACTED] can be supplied to Singapore Post as requested.

5. Singapore Post shall:

- A. Satisfy the [REDACTED] under the conditions specified in Annexure 1 of this Agreement [REDACTED]

- B. Market launch the air parcels service [REDACTED], under the conditions specified in Annexure 2 of this Agreement.

6. At such time as Singapore Post and the KPG Members execute the [REDACTED]

7. In the event that Singapore Post does not execute the [REDACTED] and the [REDACTED]

as provided in clause 4 [REDACTED], Singapore Post shall receive a refund of the [REDACTED] mentioned in clause 1, [REDACTED]

[REDACTED]. At such time [REDACTED], any and all rights and privileges granted by this agreement between KPG Members and Singapore Post with respect to the KPG project shall terminate, excluding [REDACTED]

8. This Agreement may be entered into by counterparts, all of which taken together shall constitute one and the same instrument. Any party may enter into this Agreement by executing any such counterpart.
9. This Agreement shall take effect from the date upon which it is signed by all of the parties and shall remain in effect for one (1) year.

Signed and agreed on this day: the Ninth day of July 2008,

Australian Postal Corporation	Signature of Authorized Representative
China Post Group	Signature of Authorized Representative
Correos Y Telegrafos SAE	Signature of Authorized Representative
Groupe La Poste	Signature of Authorized Representative
Hongkong Post	Signature of Authorized Representative
Japan Post Service Co., Ltd.	Signature of Authorized Representative
Korea Post	Signature of Authorized Representative
Singapore Post	Signature of Authorized Representative
Royal Mail Group, Ltd.	Signature of Authorized Representative
United States Postal Service	Signature of Authorized Representative

**ANNEXURE 1 TO AGREEMENT FOR THE ADDITION OF SINGAPORE POST
TO THE KAHALA POSTS GROUP: AND THRESHOLDS FOR THE MARKET
LAUNCH OF EMS SERVICE**

GENERAL:

1. KPG requires new members and associates to disclose [REDACTED]

[REDACTED] . While KPG [REDACTED]

2. KPG will only provide [REDACTED]

2.1 [REDACTED]

3. KPG requires that the [REDACTED]

EMS:

4. KPG requires that all [REDACTED]

be [REDACTED]

5. KPG has an implementation timeline for an operational requirement to have [REDACTED]

6. KPG will provide [REDACTED]

[REDACTED]

[REDACTED]

7. KPG requires that all members and associates [REDACTED]

8. KPG requires that each new member and associate [REDACTED]

9. KPG requires that new members and associates [REDACTED]
[REDACTED]

10. KPG requires the capability to access [REDACTED] [REDACTED]
[REDACTED]

11. To market launch EMS guaranteed service KPG requires:

11.1 Demonstrated ability to attain and maintain for [REDACTED]
[REDACTED]
[REDACTED]

11.2 Demonstrated ability to attain and maintain [REDACTED]
[REDACTED]

11.3. Attaining a [REDACTED]

11.4 Attaining a [REDACTED]

11.5 Transmitting [REDACTED]

11.6 Capturing and transmitting [REDACTED]
[REDACTED]

11.7 Attaining a [REDACTED]

11.8 Demonstrating that the [REDACTED]
[REDACTED]

11.9 Demonstrating that [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]

11.10 Attaining and maintaining a [REDACTED]
[REDACTED]

**ANNEXURE 2 TO AGREEMENT FOR THE ADDITION OF SINGAPORE POST
TO THE KAHALA POSTS GROUP: AND THRESHOLDS FOR THE MARKET
LAUNCH OF AIR PARCELS SERVICE**

AIR PARCELS

- 1 KPG requires that all [REDACTED]
[REDACTED].
- 2 To market launch Air Parcels, KPG requires:
 - 2.1 Attaining and maintaining [REDACTED]
[REDACTED]
 - 2.2 Capturing and transmitting [REDACTED]
[REDACTED]
 - 2.3 Capturing [REDACTED]
[REDACTED]
 - 2.4 Transmitting a [REDACTED]
[REDACTED]

ANNEXURE 3 TO AGREEMENT FOR THE ADDITION OF SINGAPORE POST TO THE KAHALA POSTS GROUP: GUIDING PRINCIPLES

Guiding Principles for KPG Expansion

Statement of Guiding Principles:

General Intention

1. All KPG members (partners and associates) work to a goal of mutual benefit through association. It is not intended that any KPG member (present or future) be materially disadvantaged through association and progress of co-funded business strategy.

Membership and Board Representation

2. KPG founding partners will advance the expansion programme but [REDACTED]
[REDACTED] KPG founding partners may, after strategic benefit analysis, invite associate membership to KPG. Associate membership is solely at the discretion of the CEO Board and if endorsed [REDACTED]
[REDACTED]
3. The KPG CEO Board and Board of Directors will each have [REDACTED]
[REDACTED].
4. KPG founding partners will hold [REDACTED], [REDACTED]
[REDACTED]
5. New full partners will receive [REDACTED]
6. New full partners will [REDACTED].
7. When the number of new full partners [REDACTED]
[REDACTED]
8. Associates will have [REDACTED]
[REDACTED]

Entry Fees and Disbursement

9. New full partners shall pay USD [REDACTED]
[REDACTED]
10. Associates will pay USD [REDACTED]
[REDACTED]
11. All entry fees from new members (full or associate) are [REDACTED]
[REDACTED]
[REDACTED]

12. New full partners and associates will also be required to execute [REDACTED]
[REDACTED]

Annual Contribution and Disbursement

13. [REDACTED]
[REDACTED]

14. Except as provided in clause 13, founding partners and new full partners will
[REDACTED]. [REDACTED]
[REDACTED]

15. Except as provided in clause 13, associates will each contribute USD [REDACTED]
[REDACTED]

16. Except as provided in clause 13, associates' annual contribution will [REDACTED]
[REDACTED]

Acceptance Procedures

17. New partners and associates must indicate in writing [REDACTED]
[REDACTED]. The letter must include [REDACTED]
[REDACTED]

18. Upon acceptance by the CEO Board, KPG founding partners and the new partner or
associate will [REDACTED].

19. Thereafter, KPG founding partners, the new partner or associate will execute a
[REDACTED]
[REDACTED]

20. [REDACTED]
[REDACTED]

21. [REDACTED]
[REDACTED]

22. [REDACTED].

Integration of New Partners and Associates

23. KPG has established [REDACTED]. Refer Appendix 1. These are supplemented by [REDACTED].
24. Preparation of integration plans may commence [REDACTED], to assist the new partner/associate with their internal business case and to [REDACTED].
25. [REDACTED], KPG will work with the new partner/associate to finalize the [REDACTED]. KPG and the new partner/associate will agree the commencement date of integration having regard to [REDACTED].
26. [REDACTED]
27. Progress [REDACTED] will be monitored by the KPG Board in collaboration with the new partner/associate and the KPG central management team.

Compliance to Entry Criteria, Business Rules and Performance Targets

28. KPG requires new partners/associates [REDACTED].
29. [REDACTED] have been established by KPG. It is a KPG [REDACTED] that [REDACTED].
30. [REDACTED] are in this Annexure at Appendices 1 and 2 and at Annexures 1, 2, 4 and 5.
31. [REDACTED]

Costs for Integration

32. New partners and associates will:

32.1

[REDACTED]

32.2

[REDACTED]

Future Perspectives

32

[REDACTED]

33. KPG membership of [REDACTED] full partners and [REDACTED] associates will provide effective market place coverage based on current export volumes.

34. KPG Board membership is [REDACTED].

35.

[REDACTED]

36. KPG will review the Guiding Principles in 2009.

End of Document

Appendix 1 to Annexure 3: KPG: CRITERIA FOR ENTRY

LEGAL/GOVERNANCE CRITERIA

Criterion	Measure
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[illegible]

OPERATIONAL PERFORMANCE CRITERIA

Criterion	Measure
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

STRATEGIC FIT CRITERIA

Criterion	Measure
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

Appendix 2 to Annexure 3: [REDACTED]

1. [REDACTED]
- [REDACTED]
[REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

ADOPTED AND APPROVED by the KPG Board of Directors on the 23rd day of November 2006.

**ANNEXURE 4 TO AGREEMENT FOR THE ADDITION OF SINGAPORE POST TO THE KAHALA POSTS GROUP:
DUE DILIGENCE QUESTIONNAIRE**

KPG ENTRY CRITERIA		Questions Asked of Prospective Member	Detail/Explanation	Prospective Member Response
Legal/Governance Criteria				
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Fit Criteria				

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]		[REDACTED]

Additional Questions		
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

--	--	--	--	--

[illegible]

	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

**ANNEXURE 5 TO AGREEMENT FOR THE ADDITION OF SINGAPORE POST
TO THE KAHALA POSTS GROUP:**

JOINING AGREEMENT [REDACTED] CONDITIONS

INTRODUCTION

The stipulations, agreements and matters stated in this Annexure 5 (which are collectively referred to as "[REDACTED] Conditions") are matters agreed between KPG Members and Singapore Post, as at the date upon which KPG Members and Singapore Post have executed the Agreement to Join to which this Annexure 5 is annexed.

These [REDACTED] Conditions are binding upon the parties to the Agreement to Join, [REDACTED]
[REDACTED]

[REDACTED] CONDITIONS

It is agreed that:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

End of Document